MyCalPAYS

21ST CENTURY PROJECT

GOVERNANCE PLAN

October 23, 2009

V 1.1

REVISION HISTORY			
REVISION #	**DATE OF RELEASE**	**OWNER**	**SUMMARY OF CHANGES**
1.1	October 23, 2009	TFC-PMO	BTC and CSC charter-related changes
1.0	April 15, 2009	TFC-PMO	Final
	March 23, 2009	TFC-PMO	Project Restart

APPROVALS	
NAME / ROLE	**DATE**
TFC Project Steering Committee	April 15, 2009

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1   Introduction

1.1 Purpose

The purpose of the Governance Plan is to describe the overall governance and decision-making process for the 21st Century Project (TFC Project) and its stakeholders.

1.2 Scope

The plan covers who, by role, is responsible for approving TFC Project documents, establishing contracts in support of the Project, approving contractor deliverables, and making the final decision to accept the automated system and prime contractor products. It also specifies thresholds over which decisions must be escalated to a higher level of authority.

1.3 Overview

The State Controller's Office (SCO), through the Personnel/Payroll Services Division (PPSD), pays approximately 294,000 employees, including state civil service, California State Universities (CSU), and Judicial Council employees, judges, and elected officials. PPSD operates large, complex legacy systems, all of which were developed by SCO employees. The goal of the TFC Project is to implement a new, integrated HRMS/Payroll system, MyCalPAYS.

The scope of MyCalPAYS has been revised to include only the configuration, customization and deployment for the State's civil service employees, exempt employees, elected officials, and judges. The implementation of the CSU will be accomplished through a separate project.

1.4 Success Criteria

The Governance Plan will be successfully implemented if:

- Project stakeholders are identified, engaged, and informed
- Governance bodies meet as scheduled with broad-based attendance
- Decisions are consistent with the Guiding Principles in the TFC Project Charter

1.5 Intended Audience and Document Use

The Project Sponsor, Project Executive, Project Director, TFC Project Manager, Integration Managers and System Integrator's Project Manager should be familiar with the governance process and their role in it, as described in this plan.

1.6 Supporting Documents

Charters for each of the governing bodies, once approved, will be located in the Project Library.

2   Governance Process

2.1 Benefits of Effective Governance

An active governance structure has been shown to result in more efficient teams, improved results, reduced risks, and better resource utilization. The defined process is intended to benefit the project by:

- Ensuring the TFC Project maintains sponsorship and funding
- Providing strategic leadership and direction
- Sustaining a statewide priority for the TFC Project's objectives
- Fostering a culture of accountability and transparency
- Providing oversight and guidance to improve the potential for success

2.2 Structure

Three committees, the Project Leadership team, Department Support Teams, and the Project Management Office (PMO) have been established to guide the Project to a successful conclusion. The TFC Project is further organized in several layers of teams to provide for the free flow of information and decisions. Figure 1 provides a visual description of the relationship of these entities, and key components of each are summarized in the Governance Matrix found in Appendix A – TFC Project Governance Matrix.

Figure 1: TFC Project Governance Structure
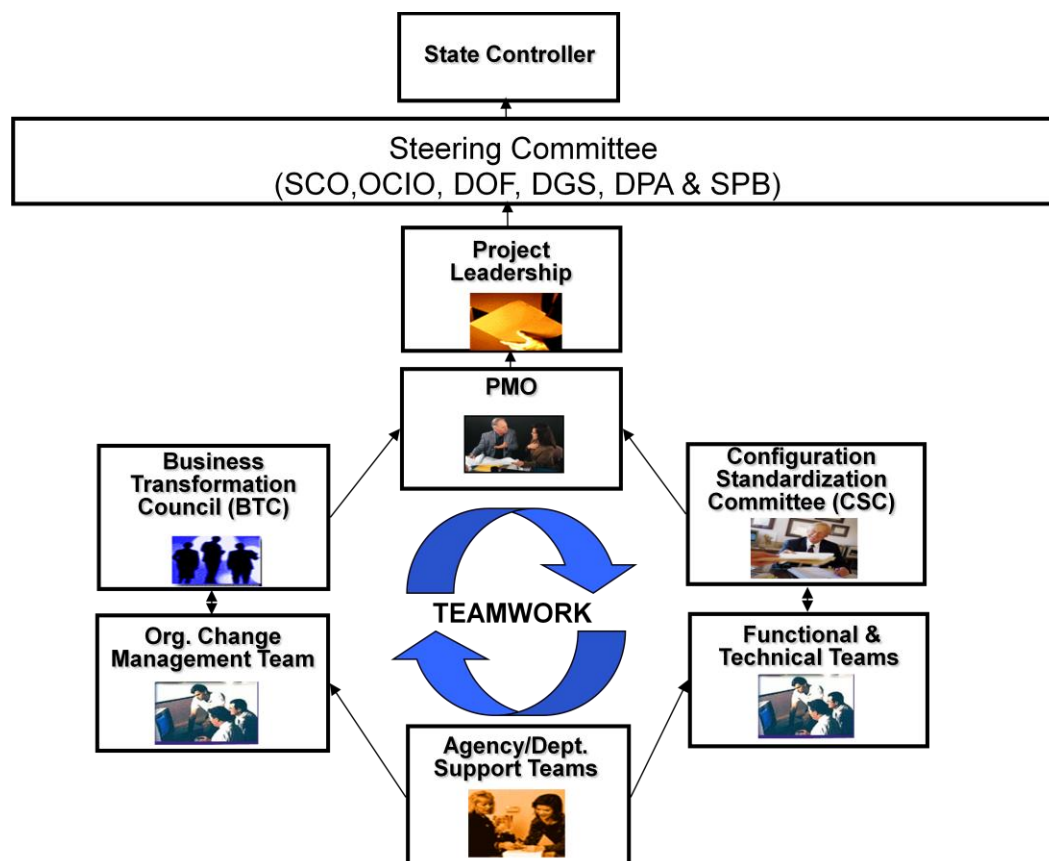
3   Governing Entities

The following groups have been established to guide the TFC Project to a successful conclusion.

3.1   Steering Committee (SC)

The Steering Committee is the top-level decision-making body for the TFC Project. The Committee ensures business objectives are achieved, that an effective structure exists to consider the interests of stakeholders, that the State/Contractor relationship is optimized, and that the project remains under control. These responsibilities are carried out by performing the following functions:

- Monitoring and reviewing status at regular Committee meetings
- Reviewing reports, prepared by the project, on the impact of business process changes on the SCO and other state organizations
- Controlling scope as emergent issues force changes to be considered, and if necessary, approving budget or schedule changes, consistent with the Guiding Principles listed in the TFC Project Charter
- Confirming that strategies to address major risks to the project's success have been identified, budgeted and executed
- Resolving issues escalated from lower level committees and the Project Leadership Team, and
- Providing assistance to the project when required

The Committee Chairperson communicates, from an executive perspective, the TFC Project's progress to those responsible at a high level, such as the Governor, legislators, cabinet members, elected officials, and agency secretaries.

Members of the Steering Committee include executive staff from the SCO (Chair), Department of Personnel Administration (DPA), State Personnel Board (SPB), Office of the Chief Information Officer (OCIO), Department of Finance (DOF) and Department of General Services (DGS).

3.2   Business Transformation Council (BTC)

The Business Transformation Council (BTC) provides direction for key business-related issues that affect the way the State operates as it transitions to MyCalPAYS. Its focus is primarily on the adoption of MyCalPAYS by the end-user organizations' HRMS/Payroll functions.

The BTC strives for innovation in business and supports best practice optimization and as a result, may recommend changes to State business regulations and processes. The BTC ensures that department[1] interests are represented in system design and actively promotes department endorsement and adoption of uniform best practices. The BTC escalates issues that meet the criteria defined in the BTC Charter to the Steering Committee and can submit Change Requests to the CCB.

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[1] For purposes of this document, the term "department" is used to represent the agencies, departments, boards, offices and commissions that receive SCO payroll services.

Members of the BTC include representatives from SCO, DPA, SPB, OCIO, Agency Information Officers, as well as various departments' Chief or Administration and Chief Information Officers and six standing HR committees.

3.3 Configuration Standardization Committee (CSC)

The Configuration Standardization Committee (CSC) deals with issues that directly affect the configuration of MyCalPAYS. The CSC provides guidance and recommendations to the project teams and interface partners regarding potential opportunities for standardizing business practices. The goal of the CSC is to meet stakeholder business requirements while limiting enhancements to MyCalPAYS to minimize future costs. The CSC members also serve as TFC Project champions within their organizations.

The CSC escalates issues that meet the criteria defined in the CSC Charter to the Steering Committee, and can submit Change Requests to the CCB.   Members of the CSC include SCO leadership and business content experts from SCO's Division of Personnel/Payroll Services Division (PPSD), DPA, SPB, OCIO and other key stakeholders.

3.4 Project Leadership Team

The Project Leadership Team is comprised of the Project Sponsor, Project Executive, Project Director, TFC Project Manager, and the Project Advisors. It provides operational direction and decision-making for the Project within delegated authority. The Project Leadership Team actively communicates with internal and external stakeholders. It collaborates with the Systems Integrator (SI) to obtain the maximum value from the contract and to resolve issues promptly. The Project Leadership Team escalates issues and changes that meet the escalation criteria to the Steering Committee.

3.5 Project Management Office (PMO)

The Project Management Office (PMO) is led by the Project Manager. It includes the Project Manager, Project Planning Office, the PM Support and Project Advisors, and the OCIO and DGS staff assigned to the Project. It manages the day-to-day operations of the Project. The TFC Project Manager is authorized to approve all documents that affect the project's internal operation. The PMO obtains input from the BTC and CSC on policy and configuration decisions.

The PMO is responsible for the development, implementation, maintenance and execution of a broad set of project management plans and supporting processes and procedures. Key plans include the TFC Project, Schedule, Contract, Cost, Risk, Issue, Communication, and Quality Management Plans. The PMO maintains the schedule for the work of the State team, which is integrated with the SI schedule and used to manage and report progress.

3.6 Change Control Board (CCB)

The Change Control Board (CCB) is the body that assesses and tracks proposed changes to TFC Project scope, schedule and costs. If the cost or impact of a change is within the level of authority for the CCB, it may approve or reject the change. If not, the CCB sends the change to the PMO for escalation to the

Steering Committee. The membership, organization, and level of change approval authority are described in the TFC Change Control Management Plan. The CCB is chaired by the Project Director.

3.7 Integration Managers and Teams

The individual work teams, shown in Figure 1, report to the Integration Managers. The Integration Managers are responsible for managing the day-to-day operations of their respective teams. Issues and changes exceeding delegated authority are escalated to the PMO level and beyond. The Functional and Technical Teams work with the CSC to resolve standardization issues. The Organizational Change Management Team works with the BTC to resolve transition issues with end-users.

3.8 Department Support Teams (DST)

The Department Support Teams (DSTs) are members of end-user organizations that serve as liaisons between the TFC Project and their organization to plan and monitor execution of preparatory tasks, such as data cleansing and collection. DST issues are escalated to the BTC or CSC, based on their nature.

4 Authority

The following section describes the roles and responsibilities for project decision-making.

4.1 Project Approval and Funding

The TFC Project is authorized through a Feasibility Study Report (FSR) as updated through Special Project Reports (SPRs), and approved by the State CIO. It is funded through Department of Finance State budget process. Refer to the TFC Cost Management Plan for a description of funding approvals and reporting requirements.

4.2 Contract Administration

4.2.1 System Integrator Contract

The SI contract and subsequent amendments are approved by the Project Leadership Team, the Steering Committee, SCO Legal department, and DGS.

The PMO administers the contract, including deliverable acceptance, payment authorization, and changes to SI personnel, as detailed in the TFC Contract Management Plan. Issues and changes that exceed PMO thresholds are escalated to the Project Leadership Team or to the Steering Committee, if necessary. The PMO establishes the processes used to track the development and communication of evaluation criteria for all contract deliverables. It monitors that all deliverables are received, formally reviewed, and accepted or rejected on a timely basis.   The PMO recommends formal acceptance of the completed system to the Project Leadership Team and the Steering Committee at the conclusion of the contract.

The Project Leadership Team and the PMO are responsible for optimizing the State/Contractor relationship by fostering a culture of respect and transparency throughout the project team, ensuring rigorous deliverable expectations are communicated and enforced, encouraging the SI and team

members to surface risks and problems early, and resolving issues promptly and fairly. Any issues that arise between the Contractor and the State are managed in accordance with their respective contract terms and conditions.

4.2.2   Other Contracts
Contracts for acquired consultants are administered by the TFC Project Manager. Any issues that arise between the consultants and the State are managed in accordance with their respective contract terms and conditions.

4.2.3   Interagency Agreements (IAAs)
The PMO administers IAAs with OTech, which hosts the SAP application and infrastructure, with DPA for staff loaned to the project, and with the OCIO for project oversight staff. If requirements change in amounts greater than delegated authority on these or future IAAs, a Change Request will be submitted to the CCB. The PMO then works with the SCO Administration Division to modify the IAA.

4.3   Project Changes
Delegated authorities to approve changes are shown in the following table. Changes or issues that exceed these thresholds must be escalated as described in this document. Issues on which resolution has not been reached in a reasonable time should also be escalated to avoid delaying the schedule. Refer to the Change and Issue Management Plans for additional detail.

Table 1: TFC Project Change Authority Levels

GOVERNANCE GROUP	LEVEL OF AUTHORITY
Project Management Office	• Changes that can be accommodated within the overall project budget and schedule
Change Control Board	• Changes to requirements • Changes to interim milestones
Steering Committee	• Changes that will require an increase to the project funding • Changes that will impact implementation dates • Scope changes
State Controller	• Policy related changes
State Control Agencies / Legislature	• Any changes more than 10% of scope, schedule, or resources. • Budget augmentation requests of any amount

Appendix A – TFC Project Governance Matrix

GOVERNANCE MATRIX	STEERING COMMITTEE (SC)	BUSINESS TRANSFORMATION COUNCIL (BTC)	CONFIGURATION STANDARDIZATION COMMITTEE (CSC)
MISSION	Top-level decision-making body for the TFC Project	Aid in the statewide adoption of MyCalPAYS	Address configuration issues of MyCalPAYS
OBJECTIVES	• Leverage positive impact of MyCalPAYS across the State of CA enterprise • Proactively promote and support the TFC Project's objectives and benefits within State government • Provide a stabilizing influence to the project	• Provide guidance to the project on key business issues that affect State payroll and human resource operations as part of the transition to MyCalPAYS • Strive for innovation and best practice optimization • Serve as champions for the TFC Project	• Meet business requirements while limiting enhancements to MyCalPAYS • Serve as champions for the TFC Project
QUORUM	Three voting members	Advisory	Advisory
MEMBERS	**Voting Members** **State Controller (Chair)** **SCO CAO** State CIO Director, DOF Director, DPA Executive Officer, SPB Director, DGS **Non-Voting Members** TFC Project Director TFC Project Executive TFC Project Manager	**SCO PPSD Chief (Co-Chair)** **TFC Project Manager (Co-Chair)** State CIO SPB Representative DPA Representative Agency Secretaries Selected departments' CAOs Small/med/large depts' CIOs Representatives from six standing committees that address HR issues TFC Project Director TFC Manager Organizational Change Management TFC Chief Business Operations	**TFC Chief Business Operations (Chair)** SPB Representative DPA Representative OCIO Representative Small/med/large dept HR reps TFC Project Executive TFC Project Director TFC Project Manager TFC Chief Technical Operations
FUNCTIONS	• Monitor project health • Review reports on impact of business process changes • Control scope as emergent issues force changes to be considered • Confirm strategies to address major risks to success • Resolve escalated issues • Provide assistance to the project when required • Communicate progress to State government leaders	• Review proposed changes in key Payroll/HRMS processes • Work to change business processes or regulations that would prevent full adoption of recommended MyCalPAYS solutions • Escalate issues to SC, if necessary	• Provide guidance on the configuration of MyCalPAYS • Seek opportunities to standardize business practices, leading to reduced implementation and long-term maintenance costs • Refer recommended changes to business processes or regulations to the BTC for support • Escalate issues to SC, if necessary
MEETING SCHEDULE	Monthly and as needed	Quarterly and as needed	Monthly and as needed